



Press Release

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LifeWatch and Magnacare sign an agreement for the NiteWatch Home Sleep Testing service

***Neuhausen am Rheinfall/Switzerland* – LifeWatch AG (SIX Swiss Exchange: LIFE), the leading wireless remote cardiac and medical patient monitoring service provider in the U.S., today reports that it has successfully negotiated an important contract for its NiteWatch service with the New York insurance company Magnacare Administrative Services. This agreement will extend coverage to the 850'000 lives insured by Magnacare.**

Acceptance of the NiteWatch Home Sleep Testing service for diagnosing obstructive sleep apnea (OSA) is steadily on the rise in the U.S. healthcare market. LifeWatch has been able to demonstrate to Magnacare Administrative Services, an important regional East Coast commercial carrier, of the advantages of the NiteWatch service. Patients insured by Magnacare will now receive coverage for the NiteWatch service. The LifeStar ACT monitoring services are already contacted by Magnacare, which covers 850,000 lives mainly in New York and New Jersey.

The NiteWatch service is designed to diagnose OSA, which is characterized by the temporary suspension of breathing during sleep. OSA is associated with an increased risk of cardiovascular disease, stroke, high blood pressure, arrhythmias, diabetes, and many serious accidents due to fatigue and sleepiness. An estimated 38 million individuals in the U.S. suffer from OSA yet less than one out of seven have been diagnosed correctly. Failure to diagnose is in part due to the fact that patients are required to perform the test in a sleep lab, which frequently have long wait times for a lab room. Patients are also discomforted by sleeping in a strange environment, which can often adversely affect test results.

Due to the growing recognition of the need for home sleep testing as a bona fide alternative to sleep labs, the NiteWatch Home Sleep Testing service, is becoming a diagnostic solution for many payors. Medicare already decided in January 2009 to provide coverage for the Home Sleep Testing Service.

“Once Medicare decided to provide coverage for Home Sleep Testing in early 2009, private insurance companies began to follow suit. Magnacare, an important East Coast commercial carrier, recognized the benefits of the NiteWatch service. NiteWatch represents an important step for us toward more diversification,” stated Dr. Yacov Geva, Chairman and CEO of LifeWatch AG. “Fur-

thermore our NiteWatch service will contribute to better quality of life for our patients thanks to earlier and more accurate detection which enables more appropriate treatment options.”

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About LifeWatch AG

LifeWatch AG, headquartered in Neuhausen am Rheinfall and listed on SIX Swiss Exchange (LIFE), Switzerland, is the leading healthcare technology and solution company, specializing in advanced telehealth systems and wireless remote patient monitoring services. LifeWatch services cater to individuals, ranging from high-risk and chronically ill patients, to consumers of health and wellness products. LifeWatch has subsidiaries in the United States, the Netherlands, Japan, the United Kingdom, Switzerland and Israel. LifeWatch AG is the parent company of LifeWatch Services Inc., a leading US-based cardiac monitoring service provider, and manufacturer of telecardiology products. LifeWatch is also introducing a new program for Home Sleep Testing of Obstructive Sleep Apnea (OSA) patients under the brand name NiteWatch. For additional information, please visit www.lifewatch.com.

Sign-up for customized email alerts and documentation requests is available at <http://production.investis.com/lifewatch/alert-service/>

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